

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF IOWA**

In re:)	
)	Chapter 11
MERCY HOSPITAL, IOWA CITY, IOWA, <i>et al.</i> ,)	
)	Case No. 23-00623 (TJC)
Debtors.)	Jointly Administered
)	
)	
)	

**STIPULATED ORDER RESOLVING EVERBANK N.A.'S
RECONSIDERATION MOTION**

This matter comes before the Court on the *Motion to Reconsider Order Approving Sale and to Compel Performance* [Docket No. 519] (the “Reconsideration Motion”) filed on November 16, 2023, by EverBank, N.A., f/k/a TIAA, FSB, assignee of TIAA Commercial Finance, Inc., as successor in interest to GE HFS, LLC (“EverBank”) requesting the Court order Mercy Hospital, Iowa City, Iowa and certain of its affiliates and subsidiaries (collectively, the “Debtors”) to honor postpetition obligations under a certain Lease Agreement, dated October 27, 2020, by and between Mercy Hospital, Iowa City, Iowa, and GE HFS, LLC (the “GE HFS Lease”), amend the schedules appearing at Exhibit A to the *Notice of Filing Schedules to Amended Asset Purchase Agreement* [Docket No. 471] (the “Schedules”) that were to be attached to the *Asset Purchase Agreement* (the “APA”) between the Debtors and the State University of Iowa (the “University”), and amend the *Order (I) Approving the Sale of Substantially All of the Debtors’ Assets Free and Clear of All Liens, Claims, Encumbrances, and Interests, (II) Authorizing the Assumption and Assignment of Contracts and Leases, and (III) Granting Related Relief* [Docket No. 476] (the “Sale Order”) to include the Schedules, as amended; and the Court

having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Public Administrative Order* referring bankruptcy cases entered by the United States District Court for the Northern District of Iowa; and the matter being a core proceeding within the meaning of 28 U.S.C. § 157(b)(2); and venue of this proceeding and the Reconsideration Motion in this District being proper pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court being able to issue a final order consistent with Article III of the United States Constitution; and due and sufficient notice of the Reconsideration Motion having been given under the particular circumstances; and it appearing that no other or further notice is necessary; and it appearing that the relief requested in the Reconsideration Motion is in the best interests of the Debtors, their estates, their creditors, and other parties-in-interest; and after due deliberation thereon; and good and sufficient cause appearing therefore; it is hereby:

ORDERED, ADJUDGED AND DECREED THAT:

1. The Reconsideration Motion is partially granted as set forth herein.
2. The Sale Order is hereby amended to amend the APA by (i) revising the Schedules as set forth herein and (ii) incorporating such revised Schedules into the Sale Order. For the avoidance of doubt, except to the extent expressly set forth herein, this Order shall not alter, amend, or otherwise change the Sale Order which shall continue to have full force and effect.
3. The Court finds that the omission of the Schedules from the Sale Order and the omission of the GE HFS Lease from certain of the Schedules was harmless error. Accordingly, the Court enters this Order pursuant to Rule 9006 of the Federal Rules of Bankruptcy Procedure to correct such omission and permit such amendments. The Court finds that amendment of the Sale Order pursuant to this Order does not affect the substantial rights of any party.

4. Attachment 1.1(a) of Schedule 1.1(a) of the APA is amended as attached to the *Notice of Filing Schedules to Amended Asset Purchase Agreement* [Docket No. 471] as **Exhibit 1** to include the GE HFS Lease. Each of the Debtors, EverBank, and the University reserve all rights with respect to the Cure Amount (as defined in the APA). Any unresolved disputes related to the Cure Amount, including the request for attorneys' fees in the Reconsideration Motion, shall be determined by this Court in connection with an omnibus hearing scheduled prior to the Closing Date (as defined in the APA).

5. Attachment 2.5(a) to Schedule 2.5(a) of the APA is amended as attached to the *Notice of Filing Schedules to Amended Asset Purchase Agreement* [Docket No. 471] as **Exhibit 2** to include the GE HFS Lease. Each of the Debtors and the University fully reserve all rights under the APA with respect to Schedule 2.5(a) of the APA.

6. Schedule 3.8(b) of the APA is amended as attached to the *Notice of Filing Schedules to Amended Asset Purchase Agreement* [Docket No. 471] as **Exhibit 3** to include the breach under the GE HFS Lease. Each of the Debtors and the University fully reserve all rights under the APA with respect to Schedule 3.8(b) of the APA.

7. Except as amended by this Order, the Schedules are incorporated into the Sale Order. The Debtors' and University's rights to further amend the Schedules prior to Closing (as defined in the APA) pursuant to the terms of the APA are fully reserved.

8. The Debtors shall continue paying their postpetition obligations under the GS HFS Lease until the Closing Date.

9. Nothing in this Order shall be construed as an agreement between the Debtors or the University to assume and assign the GE HFS Lease or otherwise alter their rights under the APA or Schedules in any other way.

10. The Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

Dated and entered this 18th day of December 2023.



Honorable Thad J. Collins, Chief Judge

Consented to By:

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